

FORM
2

Rev
12/05

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

2287420

Date Received:

02/13/2012

PluggingBond SuretyID

20090066

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE COMMINGLE

Refiling

Sidetrack

3. Name of Operator: MOUNTAIN PETROLEUM CORP

4. COGCC Operator Number: 60890

5. Address: 1801 BROADWAY STE 1250

City: DENVER State: CO Zip: 80202

6. Contact Name: STEVE MATRE Phone: (303)296-1500 Fax: (303)296-2009

Email: JAKEFLORA@KFRRCORP.COM

7. Well Name: CLAY Well Number: 11-23

8. Unit Name (if appl): WILDCAT Unit Number: _____

9. Proposed Total Measured Depth: 7200

WELL LOCATION INFORMATION

10. QtrQtr: NWNW Sec: 23 Twp: 11S Rng: 53W Meridian: 6

Latitude: 39.079820 Longitude: -103.310200

Footage at Surface: 660 feet FNL 660 feet FWL

11. Field Name: WILDCAT Field Number: 99999

12. Ground Elevation: 4981 13. County: LINCOLN

14. GPS Data:

Date of Measurement: 02/09/2012 PDOP Reading: 2.9 Instrument Operator's Name: KEITH WESTFALL

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FEL/FWL Bottom Hole: FNL/FSL FEL/FWL

Sec: Twp: Rng: Sec: Twp: Rng:

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 10032 ft

18. Distance to nearest property line: 660 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 1900 ft

LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
CHEROKEE	CRKE			
MARMATON	MRTN			
MORROW	MRRW			

21. Mineral Ownership: Fee State Federal Indian Lease #: _____

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#: _____

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

Sect 23, 11S 52W

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 640

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: Land Farming Land Spreading Disposal Facility Other: EVAPORITE PIT

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	8+5/8	24	0	525	300	525	0
1ST	7+7/8	5+1/2	15.5	0	7,200	300	7,200	5,300
S.C. 1.1							3,800	3,100

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments _____

34. Location ID: _____

35. Is this application in a Comprehensive Drilling Plan ? Yes No

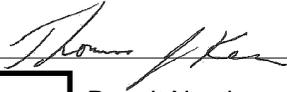
36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: JAKE FLORA

Title: DESIGNATED AGENT Date: 2/13/2012 Email: JAKEFLORA@KFRRCORP.CO

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved:  Director of COGCC Date: 3/23/2012

API NUMBER
05 073 06472 00

Permit Number: _____ Expiration Date: 3/22/2014

CONDITIONS OF APPROVAL, IF ANY: _____

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

- 1) Provide 48 hour notice of MIRU to Craig Quint by e-mail at craig.quint@state.co.us. Indicate Spud Notice in the subject line and provide the following information: Operator Name, Well Name and Number, API #, Spud Date, Contact Name, Contact Phone #, Email Address. Submit Form 42 electronically after April 1 for spud notice.
- 2) If production casing is set provide cement coverage to at least 200' above the shallowest completed interval and stage cement Cheyenne/Dakota (3800'-3100' minimum). Run and submit CBL to verify cemented intervals.
- 3) If well is a dry hole set plugs at the following depths: 40 sks cement +/- 50' above the MRRW, 40 sks cement +/- 50' above the MRTN, 40 sks cement across any DST w/ show, 40 sks cement 50' below Cheyenne (3800' up), 40 sks cement 50' above top of Dakota (3100' up), 50 sks cement from 50' below surface casing shoe up into surface casing, 15 sks cement in top of surface casing, cut 4 ft below GL, weld on plate, 5 sks cement each in rat hole and mouse hole. 4) Recomplete cannot be performed without approved Form 2.

Attachment Check List

Att Doc Num	Name
2287420	FORM 2 SUBMITTED
2287421	WELL LOCATION PLAT
2287422	TOPO MAP
2287423	MINERAL LEASE MAP
2287424	SURFACE AGRMT/SURETY
2331833	SURFACE CASING CHECK

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review passed 3/22/2012 NKP	3/22/2012 10:16:20 AM
Permit	Per J. Flora 3/22/2012 distance to nearest public road and above ground utility are 1.92 miles, approximately 10,032 feet.	3/22/2012 10:15:05 AM
Permit	Email to opr to verify distance to nearest cultural feature. 3/12/2012 Second request 3/22/2012 NKP.	3/12/2012 2:18:24 PM
Permit	Per J. Flora 3/8/2012 The lease includes all of section 23. The nearest permitted/producing well is 1900 feet away. The attached SUA provides right to construct.	3/8/2012 1:50:05 PM
Permit	Email to opr to verify SUA/surface bond as right to construct; size and location of lease; and distance to nearest permitted/producing well. 3/7/2012 NKP	3/7/2012 11:20:11 AM
Permit	Need to verify lease. Corrected per operator Missing field name and number. Input per operator Verify lease description. COrrrected per operator All corrections made per operators email.	2/17/2012 6:55:18 AM
Permit	Need to verify lease. Missing field name and number. Verify lease description. Emailed operator requesting information.	2/15/2012 2:17:25 PM
Data Entry	#10: OPERATOR ENTERED SECTION 15. SECTION 24 WAS ACCEPTED BY COMPUTER. NOTE: #23: CHECK LEASE DESCRIPTION.	2/15/2012 12:10:16 PM

Total: 8 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)